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OCT 29 2008

TRUSTEE COUNCIL RESOLUTION 08- 4
ADOPTED Oct. 29, 2008

MSRP LONG BEACH

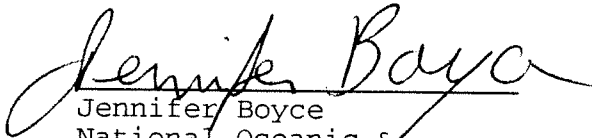
**MONTROSE TRUSTEE COUNCIL RESOLUTION REGARDING
Funding for the Montrose Settlements Restoration Program:
Repayment of NOAA Past Costs and
Transfer of Funds from Court Registry Accounts to Department of
Interior Damage Assessment and Restoration Fund**

1. The National Oceanic and Atmospheric Administration (NOAA); the State of California acting through the State Lands Commission, the Department of Parks & Recreation and the Department of Fish & Game; and the Department of the Interior, acting through the U.S. Fish & Wildlife Service and the National Park Service are the natural resource trustees (Trustees) for natural resources injured by releases of DDT and PCBs into the Southern California Bight.
2. Sums recovered in the civil action *United States, et al. v. Montrose Chemical Corp., et al.*, No. CV 90-3122-R (C.D. Cal. 1990) are being held in the Department of the Interior Natural Resource Damage Assessment and Restoration Fund (DOI Restoration Fund) and the registry accounts administered by the U.S. District Court for the Central District of California.
3. The Trustees have entered into a memorandum of agreement (MOA), as modified, that establishes a Trustee Council (Montrose Trustee Council) composed of one voting member for each trustee agency. Under the terms of that MOA, the Montrose Trustee Council is authorized to disburse funds for activities related to the damage assessment and restoration process.
4. In Trustee Council Resolution 03-1, July 1, 2003, the Trustees agreed to reimburse NOAA for past assessment costs on a deferred payment schedule of \$4,000,000 per year in 2003, 2004, 2005, 2006, and 2007, and \$2,500,000 in 2008. At this time, the 2003, 2004, 2005, and 2006 disbursements have been made, and NOAA now requests that the 2007 and 2008 payments be made, which total \$6,500,000.
5. In Trustee Council Resolution 06-2, the Trustees agreed that, in the event the NOAA withdrawals occur later than the schedule outlined in Resolution 03-1, any additional interest earned between the scheduled withdrawal and the actual withdrawal would be disbursed to NOAA. As of October 31, 2008, the total amount of interest owed to NOAA under Resolution 06-2 is \$1,056,539.
6. Accordingly, the total payment due to NOAA, including principle and interest, amounts to \$7,556,539.
7. In addition, the Trustee Council has agreed, following the disbursement to NOAA, to move all funds under its control

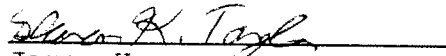
remaining in the Court Registry Account to the DOI Restoration Fund. This will permit the non-NOAA funds to accrue interest at a higher rate.

8. The Montrose Trustee Council resolves unanimously to authorize the following amounts be withdrawn from the Court Registry accounts for distribution as indicated below:
- (a) LACSD Account, 153491890551, withdrawal of \$7,556,539 to be paid to NOAA.
 - (b) LACSD Account, 153491890551, withdrawal of all funds in excess of \$7,556,539 for deposit in the DOI Restoration Fund.
9. The effective date of the Resolution shall be the date on which the last trustee signs this document.

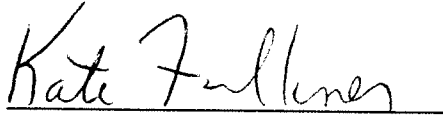
CONCURRED in by the following who are the duly authorized Montrose Trustee Council Representatives:


Jennifer Boyce
National Oceanic &
Atmospheric Administration

10/29/08
Date


James Haas
U.S. Fish & Wildlife Service

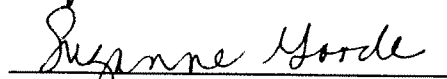
10/29/08
Date


Kate Faulkner
National Park Service

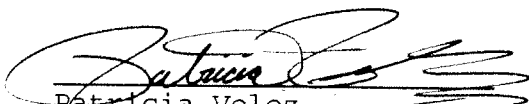
10/29/08
Date


Jessica Rader
State Lands Commission

10-29-08
Date


Suzanne Goode
Department of Parks &
Recreation

10-29-08
Date


Patricia Velez
Department of Fish & Game

10-29-08
Date